

Prices of essential commodities *vis-a-vis* futures trading

3235. SHRI MOTIUR RAHMAN: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether due to grant of permission to undertake forward/futures trading in wheat, pulses and other foodgrain items, their prices skyrocketed in the retail market; and

(b) the details of prevailing rate of these items during 2005-06 and 2006-07?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI KANTILAL BHURIA): (a) Futures markets provide an efficient platform for price discovery of commodities and price risk management so that producers, exporters, consumers etc. can take informed decisions about production, sale and purchase of commodities. Forward trading in commodities is regulated by the Forward Markets Commission (FMC) under the provisions of Forward Contracts (Regulation) Act, 1952. The main reasons for the increase in prices of wheat, pulses and other foodgrain items are shortfall in domestic supplies relative to demand and hardening of international prices.

In the context of discussion regarding whether and to what extent futures trading has contributed to price rise in agricultural commodities in recent times, the Government has set up an Expert Committee on 2/3/07 under the Chairmanship of Professor Abhijit Sen, Member, Planning Commission to study, *inter alia*, the extent of impact, if any, of futures trading on wholesale and retail prices of agricultural commodities.

(b) The details of prevailing retail prices of wheat, pulses and Rice during the year 2005-06 and 2006-07 are given at Statement I and Statement IS respectively.

Statement-I**Retail prices of Wheat, Pulses and Rice during the Year 2005-06**

Unit	(Rs/Kg.)											
1	2	3	4	5	6	7	8	9	10	11	12	13
Commodity:	Rice											
Centre	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	Jan-06	Feb-06	Mar-06
paw	13	13	13	13	13	13	13	13	13	13	13	13
MUMBAI	11.5	11.75	11.75	11.75	11.5	11.5	11.5	11.5	11.5	11.5	11.75	12.25
KOLKATA	10	10	10	10	10	11	10	11	10	10	10	10
CHENNAI	11	11	12	12	12	12	12	12	12	12	12	12
Commodity:	Wheat											
Centre	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	Jan-06	Feb-06	Mar-06
DELHI	8	8.5	9	9	9	9	9	m	10	11	10.5	10
MUMBAI	11	11.5	11.5	11.5	11	11.5	11.5	11.5	12	12.5	12.5	12.5
KOLKATA	NT	NT	NT	NT	NT	NT	NT	NT	NT	NT	NT	NT
CHENNAI	10.5	10.5	11	11	11	11	11	11	13	14	14	13.5
Commodity:	GRAM											
Centre	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	Jan-06	Feb-06	Mar-06
DELHI	22	23	25	25	25	25	25	27	28	27	27	28

Unit

(Rs/Kg.)

1	2	3	4	5	6	7	8	9	10	11	12	13
MUMBAI	23	23	23	25	25	25	25	25	27	27	27	28
KOLKATA	24	24	24	24	26	25	26	25	26	26	28	26
CHENNAI	24	24	25	26	27	26	29	30	30	29	28	29
Commodity: Tur												
Centre	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	Jan-06	Feb-06	Mar-06
DELHI	30	30.5	32	33	33	33	33	33.5	33	33	33	34
MUMBAI	28	28	28	29	30	30	30	30	30	28	28	28
KOLKATA	28	28	28	30	31	30	30	31	30	31	31	28
CHENNAI	32	32	34	34	34	34	36	36	36	36	35	34

NT: Not Traded

Statement-II

Retail prices of Wheat, Pulses and Rice during the Year 2006-07

Unit	(Rs/Kg)											
1	2	3	4	5	6	7	8	9	10	11	12	13
Commodity: Rice												
Centre	Apr-06	May-06	Jun-06	Jui-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07
DELHI	13	14	14	14	14	14.5	14	14	14.5	15	15	15
MUMBAI	12.25	12.5	125	125	12 5	12.5	13	13	13	13	13	13.25
KOLKATA	10	10	10	11	11 5	11	12	11	11	11	11	12
CHENNAI	12	12	12	12	12	12	12	12	12	12	12	12
Commodity: Wheat												
Centre	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07
DELHI	10	10	10	10	11	11	11	12	12	12	12	12
MUMBAI	13.5	13.5	14	14	14	14.5	15.25	15.75	16.25	16.5	15.75	12.5
KOLKATA	NT	NT	NT	NT	NT	<i>m</i>	NT	NT	NT	NT	NT	NT
CHENNAI	13.5	13.5	14	14	15	17	17	17	17	17	17	16
Commodity: Gram												
Centre	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07
DELHI	29	31	31	31	35	42	42.5	40	38	36	35	32
MUMBAI	30	34	33	35	37	44	45	44	44	40	37	34
KOLKATA	26	26	32	32	34	40	42	40	40	36	35	32

Unit												
(Rs/Kg.)												
1	2	3	4	5	6	7	8	9	10	11	12	13
CHENNAI	30	34	34	31	35	44	43	41	38	38	32	32
Commodity: Tur												
Centre	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07
DELHI	33	34	34	33	34	35	35	34	33	36	35	35
MUMBAI	32	30	30	33	33	35	34	34	35	35	36	35
KOLKATA	30	31	31	32	32	32	30	30	32	30	32	32
CHENNAI	34	34	34	32	34	36	36	35	35	35	40	40
N T: Not Traded												